

Mahoney Spearheads Investigation into Commodities Speculation and Impact on Gas Prices

(Washington, D.C.)

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Florida's Sole Agriculture Committee Member Takes Action on Gas Prices

(June 25, 2008)

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"It is clear from Acting Commissioner Lukken's testimony that the rise in oil prices cannot be totally explained by increased demand or a weak dollar. Rather, it appears that an under-funded and under-staffed regulator does not have the ability to monitor who the market participants are and whether they are artificially driving oil prices up as a result of massive infusions of capital, the increased number of traders and trades, and the electronic globalization of markets.

I am pleased that the Acting Commissioner believes that the Farm Bill successfully closed the "Enron Loophole." It is also clear from the testimony that a lot of work needs to be done to get foreign exchanges to fully share information so that we can determine the full extent speculators are impacting the market. It is inconceivable that the Bush Administration continues to hold back funding that would provide the CFTC with the regulators it needs to provide effective oversight. This is clearly a case of penny wise and pound foolish as Floridians are coping with \$4 per gallon gasoline. As a result, I am co-sponsoring legislation to immediately increase the CFTC's staff. I also call on the Bush Administration to get greater cooperation from the international commodities markets to help determine the full impact of speculation on gas prices."

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